MAR 2 8 2013

027 Millard County Gen Corr

cc: Peter



DIV. OF OIL, GAS & MINING

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Fillmore Field Office
95 East 500 North
Fillmore, UT 84631
http://www.blm.gov/ut/st/en/fo/fillmore.html



IN REPLY REFER TO: 3600 (UTW02000) UTU-78284

March 26, 2013

CERTIFIED MAIL # 7011 3500 0000 1992 4336 RETURN RECEIPT REQUESTED

Mr. Jake Smith :

West Side Grading : 43 CFR 3600 – Mineral Materials

P.O. Box 549 :

Delta, Utah 84624 :

Mineral Materials Permit UTU-78284 Renewal

Your Mineral Materials contract and permit, assigned Bureau of Land Management (BLM) case file number UTU-78284, expired on May 8, 2008. However, you have submitted timely production payments to the BLM since expiration of the contract, and we recognize that you were unaware that the contract had expired. We therefore suggest that the most effective course of action will be to prepare a new contract for the sale of mineral materials from this location as quickly as possible.

To prepare a new contract, we will require an amount of purchase and contract duration. The BLM issues non-competitive mineral materials sales contracts for periods of no more than five (5) years, as specified in the Code of Federal Regulations (CFR) under 43 CFR § 3602.34. We may therefore issue a new contract for five years, or for a shorter duration if desired. Under 43 CFR § 3602.31(a), we may sell a quantity of not greater than 200,000 yd³ from a single site and contract. Please specify the quantity of mineral materials proposed for purchase and the proposed duration of the contract.

After we receive the required information, we are required, under 43 CFR § 3602.31(b) to charge a processing fee, or cost recovery, to prepare your new contract and permit. We will prepare a cost estimate for preparation of the sale contract and any required National Environmental Policy Act (NEPA) analyses and submit the bill to you. The cost estimate will be a processing fee and is not a permit fee. Preparation of a new contract will include a new appraisal, as required under 43 § 3602.13. We require payment of the cost recovery fee before we may begin to process your permit.

When we have completed preparation of your new purchase co

When we have completed preparation of your new purchase contract and any required new NEPA analyses, we will mail the new contract to you with the purchase price. You will need to sign and return the contract with payment before you will be authorized to proceed.

Please submit your proposed purchase quantity of mineral materials and the proposed duration of your new contract. Fillmore Field Office (FFO) will then prepare a cost recovery estimate and send a letter to you with the required amount.

If you have any questions, please contact Duane Bays, Fillmore Field Office (FFO) Natural Resource Specialist, at (435) 743-3115, or Jerry Mansfield, FFO Geologist, at (435) 743-3125.

Sincerely,

Michael D. Gates Field Manager

cc:

Paul Baker
UDOGM
1594 W North Temple Ste 1210
Salt Lake City, UT 84114

Opie Abeyta (UT-923) Utah State Office/ BLM 440 W 200 S, Ste 500 Salt Lake City, UT 84101-1345